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"INFORMATIONS DANUBIENNES"

RUSSIAN TROOPS IN HUNGARIAN UNIFORMS STATIONED AT YUGOSLAV BORDER
IN SOUTHERN HUNGARY.

According to reports from Klagenfurt, Russian combat troops stationed near Mohacs (Komitat Baranya) and in the vicinity of Szeged have been issued Hungarian uniforms. Allegedly these troops are to be kept in readiness to penetrate into Yugoslavia on orders from Moscow, which would indicate that the Russians do not consider the Hungarian Army sufficiently reliable to carry out such a mission.

HUNDREDS OF RETAIL BUSINESSES LIQUIDATED IN HUNGARY DURING FIRST
HALF OF OCTOBER

In Budapest all oil and gasoline dispensing stations as well as the larger paint stores and pharmacies have been nationalized. In the rural districts all shops, of any type, carrying fair-sized stocks, were nationalized provided they were lucrative; the non-profitable ones were simply closed or forced to close by the imposition of exorbitant taxes.

Hungarian refugees in Austria report that in the rural areas the following practice prevailed: The representative of the Ministry for Domestic Trade would call on the owner of the business at the end of the business day, demand the keys to the cash register and the books of account and by these acts assume possession on behalf of the State.

Plans for INDUSTRIAL CENTER IN MOHACS ABANDONED

Plans for "KOMBINAT MOHACS", a projected center of heavy industry in the vicinity of the Pecs coal basin in the Mohacs sector, have been dropped.

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In the opinion of Hungarian economic circles the planned industrial center would have been wholly dependent on raw materials from the Peca coal basin and on iron ore and metals from Yugoslavia. Hungary's severance of trade relations with the latter country, as ordered by Moscow, resulted in serious raw material shortages, affecting not only the ~~programmed~~ ^{scheduled} construction of an industrial center but the already existing heavy industry enterprises, as well.

HUNGARIAN REGIME SANCTIFIES RELIGIOUS INSTRUCTION ~~AT~~ SCHOOLS

Although 96 per cent of the parents expressed themselves in favor of religious instruction ~~at~~ the Public Schools in Hungary, no provision has been made for this subject in the curriculum of the schools, which resumed their functions in September.

HUNGARY EXPERIMENTS WITH INDUSTRIAL PROCESSES

Experimental and research institutions in Hungary have been officially ordered to develop domestic production of raw materials and to eliminate the import of the necessary crude ^{components} ~~ingredients~~, insofar as possible, by the manufacture of substitutes.

Reportedly, strenuous efforts are being made at this time to utilize straw and rushes in the production of cellulose for the paper, photographic, artificial silk, and explosive³ industries.

It is also said to have been possible to manufacture a special type of wrapping paper from straw cellulose; however, the product is of very inferior quality: it tears readily and ~~is injurious to~~ the hands.

A crude oil refinery developed a synthetic fat from petroleum by-products. This article is about to be placed on the Hungarian market.

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Hungarian chemical plants are producing industrial dyestuffs, such as aniline and indanthrene, which heretofore were imported from the IG Farben.

SMALL FARMERS IN HUNGARY GIVE UP THEIR FIELDS

Because rye-growing in Hungary is far behind schedule, the regime is bringing such excessive pressure to bear on the owners of moderately sized agricultural holdings that farmers owning from eight to ten cadastal yokes of land offer them for sale or lease to the State or the cooperatives. The cooperatives lease these holdings and pay the owners a small sum, which is later deducted for taxes, so that the "kulaks" have gained nothing and cannot even get work with the cooperatives.

WHAT WERE THE REASONS UNDERLYING THE HUNGARIAN "FORCED" LOAN?

A loan of 500 million forints is to finance the new five-year plan. It was oversubscribed ^{by} ~~at the rate of~~ 50 per cent and 751 million forints were diverted to the Communist State. The five-year plan is scheduled to cost 45 billion forints, so that the amount subscribed constitutes somewhat less than two per cent of the cost. If the Hungarian Government could manage 98 per cent of the five year plan, undoubtedly it could also have raised the remaining 1-3/4 per cent; in any case, the amount could have been drawn from the National Bank, much as other sums required were taken from Government sources.

It would appear, therefore, that the financing of the five-year plan was not the real basis for the loan. There must have been a different reason for it. Every person in Hungary, no matter how poor, must turn over to the State ten per cent of his income for a

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period of one year. This constitutes the amount which, at best, he might be able to spend for personal necessities, over and above the basic cost of living.

The Hungarian population's purchasing power with regard to consumer goods was artificially throttled. Inasmuch as production reportedly is so extensive as to cover not only domestic needs but reserves for export, there would be no legitimate reason for curtailing consumption. Hence it must be assumed that this measure is being carried out so drastically in order to create a larger reserve of finished goods for export to the Soviet Union or - and this is deemed more likely - that the still existing peace time production in Hungary is being diverted to other purposes.

DICTATOR OF HUNGARIAN TEXTILE INDUSTRY ARRESTED IN BUDAPEST

(Pertains to the arrest of Stefan Markowits.)

ECONOMIC INFORMATION OBTAINED IN HUNGARY

Experiments in cotton growing are being conducted, at considerable expense, at two experimental stations in Transdanubia.

On the basis of theories advanced by Michurin, a Soviet biologist, attempts are being made to raise cotton which will attain full growth under the climatic conditions of Hungary.

40 cadastral yokes were planted during the current year. Next year the experiment is to be extended to 300 yokes and by the end of the five-year plan it is estimated that the 100,000 yokes planted will bring a yield of 30,000 tons.

The Hungarian Government has ^{demanded} imposed a 15 per cent increase on rents.

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